

**TEXAS APPRAISER LICENSING  
AND CERTIFICATION BOARD**

vs.

**AMANDA ALTHEIDE  
TX-1328376-R**

§  
§  
§  
§  
§  
§  
§  
§

**DOCKETED COMPLAINT NO. 05-081**

**AGREED FINAL ORDER**

On this the 10<sup>th</sup> day of August, 2007, the Texas Appraiser Licensing and Certification Board, (the Board), considered the matter of the certification of Amanda Altheide, (Respondent). The Board makes the following findings of fact and conclusions of law and enters this Order:

**FINDINGS OF FACT**

1. Respondent Amanda Altheide, a state certified residential real estate appraiser, holds certification number TX-1328376-R, and has been certified since December 30<sup>th</sup>, 1998.

2. Respondent is subject to the jurisdiction of the Board, the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE § 1103 et. seq. (the Act), the Rules of the Board, 22 TEX. ADMIN. CODE §§153, 155, 157 (the Rules), and the Uniform Standards of Professional Appraisal Practice (USPAP) in effect at the time of the appraisal.

3. On or about October 27<sup>th</sup>, 2003, February 7<sup>th</sup>, 2004 and January 13<sup>th</sup>, 2004 respectively, Respondent appraised the subject properties located at 2614 Parkside Drive, Grand Prairie, Texas 75052 ("the Parkside property"), 506 Kalmia Drive, Arlington, Texas 76018 ("the Kalmia property"), and 7824 Castillo Road, Fort Worth, Texas 76112 ("the Castillo property") for the client, Great Oak Mortgage.

4. On March 2<sup>nd</sup>, 2005, TALCB received a staff-initiated complaint against Respondent from Jack McComb, in accordance with TEX. OCC. CODE § 1103.451. The complaint was based upon a referral of multiple appraisal reports from Jane Hall, Director of the Processing and Underwriting Division of the United States Department of Housing and Urban Development ("HUD"). HUD alleged that Respondent's appraisal reports on the properties contained various violations of the Uniform Standards of Professional Appraisal Practice and FHA supplemental standards.

5. On or about March 4<sup>th</sup>, 2005 the Board, in accordance with the mandate of the Administrative Procedure Act (the APA), TEX. GOV'T CODE ANN. § 2001 et. seq., notified Respondent of the nature and accusations involved and Respondent was afforded an opportunity to respond to the accusations alleged by the Complainant. Respondent's response was received.

6. The Enforcement Division concluded that the Respondent's October 27<sup>th</sup>, 2003 appraisal report for the Parkside property violated the Act, the Rules of the Board, and USPAP by the following acts or omissions:

- a) USPAP Ethics Rule -- Respondent violated the record keeping provisions of the Ethics Rule because she failed to maintain a work file which included supporting data or materials for her cost approach analysis and her analysis of the subject neighborhood and available comparable sales;
- b) USPAP Supplemental Standards Rule -- Respondent has failed to adhere to applicable supplemental standards (HUD Handbook 4150.2) because she failed to make adjustments nor comments for sales concessions of the comparable properties, failed to provide accurate, specific data for the comparable properties and made adjustments in excess of the prescribed "Net/Gross Ratios" but did not comment or provide any explanation in her report for this;
- c) USPAP Standards 1-2(c) & 2-2(b)(v) -- Respondent failed to correctly identify the purpose of the report;
- d) USPAP Standards 1-2(c) & 2-2(a)(v) & 2-2(b)(v) -- Respondent failed to state an opinion of exposure time in her report;
- e) USPAP Standards 1-3(b) & 2-2(b)(x) -- Respondent failed to provide a brief summary of her rationale for her determination of the Parkside property's highest and best use;
- f) USPAP Standard 2-2(b)(xi) -- Respondent failed to explain and support her exclusion of the cost approach;
- g) USPAP Standard 1-4(b)(i) & 2-2(b)(ix) -- Respondent did not use an appropriate method or technique to develop her opinion of the Parkside property's site value;
- h) USPAP Standards 1-4(b)(ii) & 2-2(b)(ix) -- Respondent failed to collect, verify, analyze and reconcile the cost new of improvements properly;
- i) USPAP Standards 1-4(b)(iii) & 2-2(b)(ix) -- Respondent did not collect, verify, analyze and reconcile accrued depreciations;
- j) USPAP Standards 1-1(a) & 1-4(b) -- Respondent did not correctly employ recognized methods and techniques;
- k) USPAP Standards 1-4(a) & 2-2(b)(ix) -- Respondent did not collect, verify, analyze and reconcile the comparable sales data adequately. She failed to make commentary or adjustments for significant sales concessions, she made inappropriate adjustments to various comparable sales, she failed to provide any

explanation when her adjustment ratios exceeded the prescribed 10% net, 15% overall net and 25% overall gross parameters, and she used inappropriate comparable sales (including one which possessed 50% greater living area) despite the ready availability of far more similar comparable sales in the Parkside property's immediate neighborhood;

- 1) USPAP Standards 1-1(a) & 1-4(a) – Respondent did not correctly employ recognized methods and techniques in her sales comparison analysis for the reasons noted above;
- ✓ m) USPAP Standards 1-5(a) & 2-2(b)(ix) – Respondent failed to analyze all agreements of sale and failed to analyze the prior listing history of the Parkside property. The contract of sale was in her work file, but she failed to disclose or analyze some \$13,520 in seller concessions and gift funds. Additionally she failed to disclose and analyze the fact that the Parkside property had been listed for 91 days at a lower price and had not been able to sell, prior to going under contract for a higher sales price;
- ✓ n) USPAP Standard 1-1(a) – For the above-noted reasons, Respondent did not employ recognized methods and techniques to produce a credible appraisal report;
- ✓ o) USPAP Standard 1-1(b) – Respondent committed substantial errors of omission or commission as outlined above. This also includes incorrectly describing the site size, misrepresenting the Parkside property's view as typical residential when it backs up against an area zoned light industrial which contains light industrial buildings built in 1980;
- ✓ p) USPAP Standard 1-1(c) – Respondent was careless or negligent in rendering appraisal services as noted above;
- q) USPAP Standard 2-1(a) – Respondent produced an appraisal report that was inaccurate and misleading to its intended user; and,
- r) USPAP Standard 2-1(b) – Respondent produced an appraisal that does not enable users to understand the report properly.

7. The Enforcement Division concluded that the Respondent's February 7<sup>th</sup>, 2004 appraisal report for the Kalmia property violated the Act, the Rules of the Board, and USPAP by the following acts or omissions:

- a. USPAP Supplemental Standards Rule – Respondent has failed to adhere to applicable supplemental standards (HUD Handbook 4150.2) because she failed to make adjustments nor comments for sales concessions of the comparable properties, failed to provide reasonable and supported adjustments and/or required comments for comparable sales, failed to

disclose and analyze prior sales of the Kalmia property within thirty-six months prior to the effective date of the report;

- b. USPAP Standards – USPAP Standard 2-2(b) – Respondent fails to state prominently the report option used;
- c. USPAP Standards 1-2(b) & 2-2(b)(ii) – Respondent failed to identify properly the intended use of her opinions and conclusions;
- d. USPAP Standards 1-2(c) & 2-2(b)(v) – Respondent did not consider and identify the purpose of her appraisal assignment;
- e. USPAP Standards 1-2(c) & 2-2(a)(v) & 2-2(b)(v) – Respondent failed to state an opinion of exposure time in her report;
- f. USPAP Standards 1-2(e)(i) & 2-2(b)(iii) – Respondent has not identified and reported adequately the improvement(s) description;
- g. USPAP Standards 1-3(b) & 2-2(b)(x) – Respondent failed to provide a brief summary of her rationale for her determination of the Kalmia property's highest and best use;
- h. USPAP Standard 2-2(b)(xi) – Respondent failed to explain and support her exclusion of the cost approach;
- i. USPAP Standard 1-4(b)(i) & 2-2(b)(ix) – Respondent did not use an appropriate method or technique to develop her opinion of the Kalmia property's site value;
- j. USPAP Standards 1-4(b)(ii) & 2-2(b)(ix) – Respondent failed to collect, verify, analyze and reconcile the cost new of improvements properly;
- k. USPAP Standards 1-4(b)(iii) & 2-2(b)(ix) – Respondent did not collect, verify, analyze and reconcile accrued depreciations;
- l. USPAP Standards 1-1(a) & 1-4(b) – Respondent did not correctly employ recognized methods and techniques;
- m. USPAP Standards 1-4(a) & 2-2(b)(ix) – Respondent did not collect, verify, analyze and reconcile the comparable sales data adequately. She unnecessarily went outside the Kalmia property's subdivision to get sales with unreasonably larger living areas than the Kalmia property even though more similar sales were readily available within the subject subdivision. She also selected comparables that were superior in market appeal, age and condition nor did she report, analyze and address the

fact that sales comparable one backs to a large, non-residential area which she failed to describe and analyze;

- n. USPAP Standards 1-1(a) & 1-4(a) – Respondent did not correctly employ recognized methods and techniques in her sales comparison analysis for the reasons noted above;
- o. USPAP Standards 1-5(a) & 2-2(b)(ix) – Respondent failed to analyze all agreements of sale and failed to analyze the prior listing history of the Kalmia property. The contract of sale was in her work file, but she failed to disclose or analyze some \$9,000 in seller concessions and gift funds. Additionally she failed to disclose and analyze the fact that the Kalmia property had been listed at a lower price and had not been able to sell, prior to going under contract for a higher sales price;
- p. USPAP Standards 1-5(b) & 2-2(b)(ix) – Respondent failed to analyze all sales of the Kalmia property within three years prior to the effective date of the appraisal. A prior sale for 28% less than Respondent's estimated value occurred sixteen months previous, but was not mentioned nor analyzed in the report;
- q. USPAP Standard 1-1(a) – For the above-noted reasons, Respondent did not employ recognized methods and techniques to produce a credible appraisal report;
- r. USPAP Standard 1-1(b) – Respondent committed substantial errors of omission or commission as outlined above. This also includes omitting the fact that the Kalmia property is less than a mile from the runway of Arlington Municipal Airport which operates 24 hours a day and failing to analyze its impact on the market value of the Kalmia property, misrepresenting the description of price range of single-family housing in the neighborhood and failing to disclose the condition of the interior improvements to the Kalmia property;
- s. USPAP Standard 1-1(c) – Respondent was careless or negligent in rendering appraisal services as noted above;
- t. USPAP Standard 2-1(a) – Respondent produced an appraisal report that was inaccurate and misleading to its intended user because incorrect data was used to reach inaccurate and misleading conclusions about the market value of the Kalmia property; and,
- u. USPAP Standard 2-1(b) – Respondent produced an appraisal that does not enable users to understand the report properly.

8. The Enforcement Division concluded that the Respondent's January 13<sup>th</sup>, 2004 appraisal report for the Castillo property violated the Act, the Rules of the Board, and USPAP by the following acts or omissions:

- a. USPAP Supplemental Standards Rule – Respondent has failed to adhere to applicable supplemental standards (HUD Handbook 4150.2) because she failed to make adjustments nor comments for sales concessions of the comparable properties
- b. USPAP Standards – USPAP Standard 2-2(b) – Respondent fails to state prominently the report option used;
- c. USPAP Standards 1-2(b) & 2-2(b)(ii) – Respondent failed to identify properly the intended use of her opinions and conclusions;
- d. USPAP Standards 1-2(c) & 2-2(b)(v) – Respondent did not consider and identify the purpose of her appraisal assignment;
- e. USPAP Standards 1-2(c) & 2-2(a)(v) & 2-2(b)(v) – Respondent failed to state an opinion of exposure time in her report;
- f. USPAP Standards 1-3(b) & 2-2(b)(x) – Respondent failed to provide a brief summary of her rationale for her determination of the Castillo property's highest and best use;
- g. USPAP Standard 1-4(b)(i) & 2-2(b)(ix) – Respondent did not use an appropriate method or technique to develop her opinion of the Castillo property's site value;
- h. USPAP Standards 1-4(b)(ii) & 2-2(b)(ix) – Respondent failed to collect, verify, analyze and reconcile the cost new of improvements properly;
- i. USPAP Standards 1-4(b)(iii) & 2-2(b)(ix) – Respondent did not collect, verify, analyze and reconcile accrued depreciations;
- j. USPAP Standards 1-1(a) & 1-4(b) – Respondent did not correctly employ recognized methods and techniques;
- k. USPAP Standards 1-4(a) & 2-2(b)(ix) – Respondent did not collect, verify, analyze and reconcile the comparable sales data adequately. Respondent failed to comment about using comparable sales 2 and 3, which were more than a mile from the Castillo property. Respondent also failed to comment or adjust the comparable sales that involved sales concessions. Respondent selected as her first comparable a property with a lot size twice the size of the Castillo lot, but incorrectly describes them as similar and fails to make any adjustment in her sales comparison

analysis. Multiple adjustments were erroneously made or not made to sales comparable 2 and 3. Finally, inappropriate comparable sales were selected by Respondent when more appropriate, more similar sales were readily available in the neighborhood and should have been used;

- l. USPAP Standards 1-1(a) & 1-4(a) – Respondent did not correctly employ recognized methods and techniques in her sales comparison analysis for the reasons noted above;
  - m. USPAP Standards 1-5(a) & 2-2(b)(ix) – Respondent failed to analyze all agreements of sale and failed to analyze the prior listing history of the Castillo property. The contract of sale was in her work file, but she failed to disclose or analyze some \$7,000 in seller concessions and gift funds. Additionally she failed to disclose and analyze the fact that the Castillo property had been listed at a lower price and had not been able to sell, prior to going under contract for a higher sales price;
  - n. USPAP Standard 1-1(a) – For the above-noted reasons, Respondent did not employ recognized methods and techniques to produce a credible appraisal report;
  - o. USPAP Standard 1-1(b) – Respondent committed substantial errors of omission or commission as outlined above;
  - p. USPAP Standard 1-1(c) – Respondent was careless or negligent in rendering appraisal services as noted above;
  - q. USPAP Standard 2-1(a) – Respondent produced an appraisal report that was inaccurate and misleading to its intended user because incorrect data was used to reach inaccurate and misleading conclusions about the market value of the Castillo property; and,
  - r. USPAP Standard 2-1(b) – Respondent produced an appraisal that does not enable users to understand the report properly.
9. The Enforcement Division concluded that the Respondent violated 22 Tex. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a) by failing to conform to USPAP in effect at the time of the appraisal reports for the Parkside, Kalmia and Castillo properties.
10. The Enforcement Division concluded that the Respondent violated 22 Tex. ADMIN. CODE §§ 153.20(a)(9) by making material misrepresentations and omissions of material facts in the appraisal reports for the Parkside, Kalmia and Castillo properties. These material misrepresentations and omissions of material fact for the Parkside property include: misrepresenting the site size; misrepresenting the property's view as typical residential when it backs up against an area zoned light industrial which contains light industrial buildings built in 1980; omitting important information about the property's

prior listing history, sales contract and significant sales concessions and gift funds. These material misrepresentations and omissions of material fact for the Kalmia property include: omitting important information about the property's prior listing and sales history, sales contract, and significant sales concessions and gift funds; omitting the fact that the Kalmia property is less than a mile from the runway of Arlington Municipal Airport which operates 24 hours a day and failing to analyze its impact on market value, misrepresenting the description of price range of single-family housing in the neighborhood and failing to disclose the condition of the interior improvements to the Kalmia property. These material misrepresentations and omissions of material fact for the Castillo property include: omitting important information about the property's prior listing history, sales contract, and significant sales concessions and gift funds; omission of more appropriate and readily available comparable sales in place of comparables one and three.

### **CONCLUSIONS OF LAW**

1. The Texas Appraiser Licensing and Certification Board has jurisdiction over these matters pursuant to the Texas Appraiser Licensing and Certification Act, TEX. OCC. CODE §§ 1103.451-1103.5535 (Vernon 2005).
2. Respondent violated the following USPAP provisions as prohibited by 22 TEX. ADMIN. CODE §§ 153.20(a)(3) and 155.1(a): USPAP Supplemental Standards Rule and USPAP Standards Rules: 2-2(b), 1-1(a), 1-1(b), 1-1(c), 2-1(a), 2-1(b), 1-5(a) & 2-2(b)(ix), 1-4(a), 1-4(b)(i), 1-4(b)(ii), 1-4(b)(iii), 1-3(b) & 2-2(b)(x), 1-2(c) & 2-2(a)(v) & 2-2(b)(v), 1-2(b) & 2-2(b)(ii), 1-2(e)(i), 2-2(b)(xi), and, 1-5(b).
3. Respondent violated 22 TEX. ADMIN. CODE §§ 153.20(a)(9) by making material misrepresentations and omissions of material facts in her Parkside, Kalmia and Castillo property appraisal reports.

Based on the above findings of fact and conclusions of law, the Board **ORDERS** that Respondent shall:

1. Have her certification suspended, with the suspension being fully probated for a one year period under the conditions outlined below:
  - a. Respondent shall submit to the Board an appraisal experience log on a form prescribed by the Board. The log shall be submitted every three months and shall detail all real estate appraisal activities she has conducted during the previous three month period. This experience log shall be signed by Respondent and contain a notarized affidavit attesting that the log is true, complete and fully accurate. Upon request from the Board, Respondent shall provide copies of her appraisal reports and work files for any appraisal assignments she performs during the course of her period of probation within twenty days of notice of any such request; and,



- b. Respondent shall fully comply with the provisions of this Order.
2. Pay to the Board an Administrative Penalty of \$2,000.00;
  3. Attend and complete a minimum, 15 classroom-hour course in USPAP;
  4. Attend and complete a minimum, 30 classroom-hour course in Sales Comparison and/or Market Data Analysis;
  5. Attend and complete a minimum, 30 classroom-hour course in Residential Case Studies; and,
  6. Comply with all provisions of the Act, the Rules of the Board, and USPAP in the future, or be subjected to further disciplinary action.

Payment of the **ADMINISTRATIVE PENALTY** must be by certified funds, and must be completed within **TWENTY DAYS** of the date of this Agreed Final Order. Failure to pay the administrative penalty within the time allotted shall result in termination of Respondent's probation and **IMMEDIATE SUSPENSION** of Respondent's certification pursuant to notice to Respondent from the Board indicating that Respondent has not paid the administrative penalty.

**ALL CLASSES** required by this Agreed Final Order must be classes approved by the Board and must be completed within **TWELVE MONTHS** of the date of this Order and documentation of attendance and successful completion of the educational requirements of this Order shall be delivered to the Board on or before the end of the twelve-month period indicated. None of the classes or seminars required by this Order may be taken through correspondence courses. All classes must be in-class, have an exam, and Respondent must have a passing grade on the exam given in each class. None of these required classes will count toward Respondent's continuing education requirements for licensure or certification.

Failure to complete the education required by this Agreed Final Order within the time allotted shall result in termination of Respondent's probation and **IMMEDIATE SUSPENSION** of the Respondent's certification pursuant to notice to the Respondent from the Board indicating that the Respondent has not fulfilled the educational requirements of this Agreed Final Order.

**ANY SUCH SUSPENSION SHALL BE EFFECTIVE WITHOUT THE NEED FOR A HEARING OR OTHER ADMINISTRATIVE DUE PROCESS UNDER THE TEXAS APPRAISER LICENSING AND CERTIFICATION ACT OR THE ADMINISTRATIVE PROCEDURE ACT, AND RESPONDENT SPECIFICALLY WAIVES ANY SUCH HEARING OR DUE PROCESS.** Respondent shall be notified of any such suspension or lifting of probation by certified mail, return receipt requested, to the last known address as provided to the Board. If Respondent's certification is suspended on such a

basis, the suspension shall remain in effect for the remainder of Respondent's one year suspension period.

Respondent, by signing this Agreed Final Order, neither admits nor denies that the findings of fact and conclusions of law herein set forth are correct; however, Respondent consents to the entry of this Agreed Order to avoid the expense of litigation and to reach an expeditious resolution of this matter. Respondent also agrees to satisfactorily comply with the mandates of this Agreed Final Order in a timely manner.

Respondent, by signing this Agreed Final Order, waives the Respondent's right to a formal hearing and any right to seek judicial review of this Agreed Final Order. Information about this Agreed Final Order is subject to public information requests and notice of this Agreed Final Order will be published in the Board's newsletter and/or on the Board's web site.

THE DATE OF THIS AGREED FINAL ORDER shall be the date it is executed by the Chairperson of the Texas Appraiser Licensing and Certification Board. The Chairperson has been delegated the authority to sign this Agreed Final Order by the Texas Appraiser Licensing and Certification Board vote.

Signed this 9<sup>th</sup> day of July, 2007.

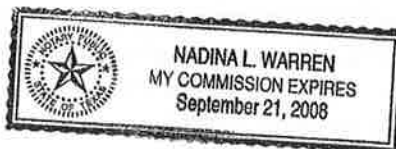
Amanda Altheide

AMANDA ALTHEIDE

SWORN TO AND SUBSCRIBED BEFORE ME, the undersigned, on this the 9 day of July, 2007, by AMANDA ALTHEIDE, to certify which, witness my hand and official seal.

Nadine Warren  
Notary Public Signature

Nadine Warren  
Notary Public's Printed Name



Signed by the Commissioner this 8<sup>th</sup> day of August, 2007.

Loretta DeHay  
Loretta DeHay, Interim Commissioner  
Texas Appraiser Licensing and Certification Board

Approved by the Board and Signed this 10 day of August, 2007.

Larry Kokel  
Larry Kokel, Chairperson  
Texas Appraiser Licensing and Certification Board